

RESOLUTION NO. 2007-125

A RESOLUTION OF THE LODI CITY COUNCIL  
APPROVING PURCHASE OF A REPLACEMENT  
AS400 MID-RANGE COMPUTER

---

WHEREAS, Lodi Municipal Code §3.20.070 authorizes dispensing with bids for purchases of supplies, services, or equipment when it is in the best interest of the City to do so; and

WHEREAS, the IBM AS400 mid-range computer is the City's "workhorse," hosting three major applications, including the JD Edwards enterprise resource planning system, the Business License application, and Alliance Data (Orcom) ECIS utility billing program. Individual JD Edwards modules include payroll, general accounting, payables, and purchasing; and

WHEREAS, the current system was purchased in 2002 and is approaching the end of its supportable life; and

WHEREAS, IBM has released the last operating system update for this particular model (V5R4), and the hardware support for this system is also expected to become increasingly expensive because of the system's age, or unavailable at all through IBM; and

WHEREAS, replacement of this system will be necessary as software vendors no longer support the aging operating system version the City currently utilizes, and upgrades to current software applications cease to become available.

WHEREAS, staff recommends purchasing a new i5 series IBM computer from Logical Design, Inc., of Rancho Cordova, in the amount of \$142,765.00, and financing the purchase over four years through the IBM Installment Payment Master Agreement at interest rates that are at or below current market; and

WHEREAS, staff further recommends a payment schedule of \$3,217.03 per month, or approximately \$38,604 annually, which will eliminate current support expenditures, thus saving the City about \$6,400 per year.

NOW, THEREFORE, BE IT RESOLVED that the Lodi City Council does hereby approve the replacement purchase of an AS400 computer from Logical Design, Inc., of Rancho Cordova, California, in the amount of \$142,765, which includes financing costs.

Dated: July 18, 2007

---

I hereby certify that Resolution No. 2007-125 was passed and adopted by the City Council of the City of Lodi in a regular meeting held July 18, 2007, by the following vote:

AYES: COUNCIL MEMBERS – Hansen, Katzakian, Mounce, and  
Mayor Johnson

NOES: COUNCIL MEMBERS – None

ABSENT: COUNCIL MEMBERS – Hitchcock

ABSTAIN: COUNCIL MEMBERS – None

  
RANDI JOHL  
City Clerk